

STATE OF WASHINGTON**OFFICE OF
INSURANCE COMMISSIONER****BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF WASHINGTON**

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In the Matter of)	No. D 2000 - 69
Great Southern Life Insurance Company,)	Consent Order Assessing a Fine
An Authorized Insurer)	

FINDINGS OF FACT:

1. Great Southern Life Insurance Company ("Great Southern") is authorized to transact life insurance business in the state of Washington.
2. At all times, Andrew J. Stone was a licensed insurance agent in the state of Washington, appointed to represent Great Southern.
3. During 1999, Mr. Stone sold a policy of life insurance to William Merrill, a Washington resident. On September 1, 1999, the Office of the Insurance Commissioner ("OIC") received a Request for Consumer Assistance from Mr. Merrill, in which he stated that he had not received his insurance policy.
4. A dispute exists between the OIC and Great Southern as to whether Great Southern and its agent, Andrew J. Stone, effected delivery of the policy to Mr. Merrill in a timely manner, in compliance with applicable provisions of the statutes and insurance regulations of the state of Washington.

CONCLUSIONS OF LAW:

1. RCW 48.18.260 provides, in part, that every insurance policy shall be delivered to the person

entitled thereto within a reasonable period of time after issuance.

2. WAC 284-30-580 provides, in part, that RCW 18.260 requires that policies be delivered within a reasonable time after issuance. If an insurer relies up on its agents to make deliveries of its policies, the insurer, as well as the agent, is responsible for any delay resulting from the failure of the agent to act diligently. Insurers and their agents are responsible for ensuring that insurance policies are delivered to and received by insureds.

3. Great Southern does not dispute that the policy may not have been received by Mr. Merrill in a timely manner after the policy was issued, but Great Southern denies that it violated either RCW 48.18.260 or WAC 284-30-580.

4. There is no evidence, nor does the Insurance Commissioner contend, that there was any willful or intentional act by either Great Southern or its agent, Andrew J. Stone, to deprive the insured, William Merrill, of his insurance policy.

5. RCW 48.05.185 provides, in part, that after hearing or with the consent of the insurer, the Insurance Commissioner may levy a fine upon an insurer, in an amount from \$250 to \$10,000.

CONSENT TO ORDER

1. Great Southern stipulates to the foregoing findings of facts and conclusions of law. It also stipulates to the payment of a fine in the total amount of \$1500. In accordance with the provisions of RCW 48.05.185, this fine is to be paid in full within thirty days of the entry of this order in Lacey, Washington. Payment of this fine is in lieu of proceedings against the Certificate of Authority held by Great Southern in Washington State.

2. Great Southern acknowledges that it is responsible under RCW 48.18.260 and WAC 284-30-580 to make certain that its agents avoid delay and cause insurance policies to be delivered to and received by its insureds within a reasonable time after issuance.

EXECUTED this _____ day of _____, 2000.

GREAT SOUTHERN LIFE INSURANCE COMPANY

by _____

Typed Name _____

Typed Corporate Title _____

ORDER:

Pursuant to RCW 48.05.140 and RCW 48.05.185, Great Southern Life Insurance Company has consented to pay a fine of \$1500, assessed by the Insurance Commissioner. This fine is to be paid in full within thirty days of the entry of this order in Lacey, Washington, otherwise the Certificate of Authority held by the insurer in this state will be revoked and the fine will be recovered on behalf of the Insurance Commissioner in a civil action brought by the Attorney General.

ENTERED AT LACEY, WASHINGTON, this _____ day of _____, 2000.

DEBORAH SENN

Insurance Commissioner

by _____

William Kirby

Assistant Deputy Insurance

Commissioner